

91406



NEW ZEALAND QUALIFICATIONS AUTHORITY
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SUPERVISOR'S USE ONLY

Level 3 Accounting, 2015

91406 Demonstrate understanding of company financial statement preparation

2.00 p.m. Monday 30 November 2015
Credits: Five

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of company financial statement preparation.	Demonstrate in-depth understanding of company financial statement preparation.	Demonstrate comprehensive understanding of company financial statement preparation.

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL parts of all questions in this booklet.

Pull out Resource Booklet 91406R from the centre of this booklet.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–12 in the correct order and that none of these pages is blank.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

TOTAL

ASSESSOR'S USE ONLY

QUESTION ONEASSESSOR'S
USE ONLY

- (a) *Fashnz Limited*, a supplier of designer clothing, has the following equity account balances on 1 April 2014.

Contributed equity (400 000 fully paid shares)		1 280 000
Retained earnings		230 000

Prepare the General Journal entry to record the payment of the 2014 final dividend of 12 cents per share on 15 May 2014 by *Fashnz Limited*.

Fashnz Limited
General Journal

15/5/2014			
	<i>Payment of 2014 final dividend</i>		

(d) On balance day, *Fashnz Limited's* accountants recorded the following general journal entry.

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Fashnz Limited
General Journal

31/3/2015	Income summary	140 000	
	Taxation payable		140 000

Additional information

- An interim dividend (2015) of \$73 500 was paid on 1 November 2014.
 - Profit before tax is \$510 000 for the year ended 31 March 2015.
 - An independent revaluation of *Fashnz Limited's* land was received on 31 March 2015 that determined a fair market value for land of \$900 000. The ledger account balance for land at 1 April is \$750 000 DR.
- (i) Complete the General Ledger – Retained Earnings account from 1 April 2014 to 31 March 2015, using the General Journal entry and additional information above, and other relevant information from (a), (b), and (c). The opening balance has been entered.

Fashnz Limited
General Ledger – Retained Earnings

1/4/2014	Balance			230 000	CR

- (ii) Complete the Shareholders' equity section of the Statement of Financial Position (extract) as at 31 March 2015, using the additional information above, and other relevant information from (a), (b), and (c).

Fashnz Limited
Statement of Financial Position (extract) as at 31 March 2015

Shareholders' equity	

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The examination continues on the following page.**

QUESTION TWO

Refer to **Resource A** in Resource Booklet 91406R.

- (a) Prepare *Green's Green Waste Collection Limited* Statement of Cash Flows for the year ended 31 March 2015 on the next page.

Note:

- The company did not undertake any investing activities during the year.
- Show your working, which may be marked.

WORKING

